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COMMONWEALTH OF VIRGINIA

STATE CORPORATION COMMISSION

AT RICHMOND, JUNE 12, 2000

APPLICATION OF

NORTHERN NECK WATER, INC.

CASE NO. PUE000169

For a certificate of public  
convenience and necessity and  
for authority to acquire  
certain water facilities

ORDER INVITING WRITTEN COMMENTS  
AND REQUESTS FOR HEARING

On March 23, 2000, Northern Neck Water, Inc. ("the Company"), filed an application to obtain a certificate of public convenience and necessity. In its March 23, 2000, application, the Company requests authority to provide water service to the subdivisions of Townfield in Caroline County, Virginia, Horners Beach in Westmoreland County, Virginia, and Lewisetta and White Sand Harbour in Northumberland County, Virginia.

On May 17, 2000, the Company filed an application pursuant to § 56-265.2 and Chapter 5 of Title 56 of the Code of Virginia to acquire the water facilities in the subdivisions of General Parker Shores, Sandy Point, and Springfield Beach in Westmoreland County, Virginia, and Bells Cove in Northumberland County, Virginia. The Company also filed amendments to its

March 23, 2000, application to request authority to provide water service to the subdivisions referenced above.

By the amended application, the Company proposes the following tariff for water service at the subdivisions:

1. Service Connections:

- |    |                              |                     |
|----|------------------------------|---------------------|
| a) | ¾-inch service connection at | \$2,000.00          |
|    | Bells Cove, General Parker   |                     |
|    | Shores, Horners Beach,       |                     |
|    | Lewisetta, Sandy Point,      |                     |
|    | Springfield Beach, and       |                     |
|    | Townfield                    |                     |
| b) | ¾-inch service connection    | \$ 0.00             |
|    | at White Sand Harbour based  |                     |
|    | on prepaid connection fee    |                     |
|    | with lot purchase            |                     |
| c) | service connection over      | actual cost to      |
|    | ¾-inch                       | company plus gross- |
|    |                              | up for taxes and    |
|    |                              | applicable charges, |
|    |                              | but in no event     |
|    |                              | less than that for  |
|    |                              | ¾-inch connection   |

2. Minimum Charge:

There shall be a monthly minimum service charge for water service of \$20.00 per month for Horners Beach; \$25.00 per month for Bells Cove, Lewisetta, Townfield, and White Sand Harbour; and \$35.00 per month for General Parker Shores, Sandy Point, and Springfield Beach. No bill shall be rendered for less than the minimum charge. The monthly minimum service charge shall become effective when the water service is connected to the lot.

The Company renders its bills for service quarterly in advance.

Before providing water service, the Company proposes to require a cash deposit or other suitable guarantee to secure the performance by the customer of the terms and conditions of the Company. The maximum amount of any deposit shall not exceed the customer's estimated liability for two months' usage.

In addition, the Company proposes a turn-on charge of \$60.00 during regular business hours, or \$120.00 at any other time when service has been disconnected for violation of the Company's rules and regulations or non-payment of any bill.

The Company further proposes a late payment charge of 1½% per month on any customer charge not timely paid, a bad check charge of \$6.00, and a service charge of \$120.00 to remove the meter at the customer's premises.

The Company's tariff with its rules and regulations of service may be viewed during regular business hours at the Commission's Document Control Center, Tyler Building, First Floor, 1300 East Main Street, Richmond, Virginia; and also during regular business hours at the Caroline Public Library and at the Northumberland County Library.

NOW THE COMMISSION, having considered the Company's amended application docketed as PUE000169, finds that Staff should investigate and analyze the application as amended and present its recommendations to the Commission, and that the public should have an opportunity to comment and request a hearing on

the application as amended. We will require the Applicant to submit certain financial data referenced herein based on information for a twelve (12) month period commencing January 1, 2000.

Accordingly, IT IS THEREFORE ORDERED THAT:

(1) The Company shall make a copy of its application and exhibits as amended available for public inspection during regular business hours at the Caroline Public Library, 17202 Richmond Turnpike, Milford, Virginia, and at the Northumberland Public Library, 7204 Northumberland Highway, Heathsville, Virginia.

(2) On or before July 3, 2000, the Company shall mail the following notice (bill inserts are acceptable) to all of its customers in the subdivisions of: Townfield in Caroline County, Virginia; General Parker Shores, Horners Beach, Sandy Point, and Springfield Beach in Westmoreland County, Virginia; and Bells Cove, Lewisetta, and White Sand Harbour in Northumberland County, Virginia:

NOTICE OF APPLICATION OF  
NORTHERN NECK WATER, INC.,  
FOR A CERTIFICATE OF PUBLIC  
CONVENIENCE AND NECESSITY AND  
FOR AUTHORITY TO ACQUIRE  
CERTAIN WATER FACILITIES  
CASE NO. PUE000169

Notice hereby is given that Northern Neck Water, Inc. ("the Company"), has applied with the State Corporation

Commission for a certificate of public convenience and necessity. In its application, the Company requests authority to provide water service to the subdivisions of: Townfield in Caroline County, Virginia; General Parker Shores, Horners Beach, Sandy Point, and Springfield Beach in Westmoreland County, Virginia; and Bells Cove, Lewisetta, and White Sand Harbour in Northumberland County, Virginia. The Company also requests authority to acquire the water facilities in the Bells Cove, General Parker Shores, Sandy Point, and Springfield Beach subdivisions.

The Company proposes the following tariff for water service:

1) Service Connections:

a)	¾-inch service connection at Bells Cove, General Parker Shores, Horners Beach, Lewisetta, Sandy Point, Springfield Beach, and Townfield	\$2,000.00
b)	¾-inch service connection at White Sand Harbour based on prepaid connection fee with lot purchase	\$ 0.00
c)	service connection over ¾-inch	actual cost to company plus gross-up for taxes and applicable charges, but in no event less than that for ¾-inch connection

2) Minimum Charge:

There shall be a monthly minimum service charge for water service of \$20.00 per month for Horners Beach; \$25.00 per month for Bells Cove, Lewisetta, Townfield, and White Sand Harbour; and \$35.00 per month for General Parker Shores, Sandy Point, and Springfield Beach for water service. No bill shall be rendered for less than the minimum charge. The monthly minimum service charge shall become effective when the water service is connected to the lot.

The Company renders its bills for service quarterly in advance.

Before providing water service, the Company proposes to require a cash deposit or other suitable guarantee to secure the performance by the customer of the terms and conditions of the Company. The maximum amount of the deposit shall not exceed the customer's estimated liability for two months' usage.

In addition, the Company proposes a turn-on charge of \$60.00 during regular business hours, or \$120.00 at any other time when service has been disconnected for violation of the Company's rules and regulations or non-payment of any bill.

The Company further proposes a late payment charge of 1½% per month on any customer charges not timely paid, a bad check charge of \$6.00, and a service charge of \$120.00 to remove the meter at the customer's premises.

PLEASE TAKE NOTICE that while the total revenue requirement that may be approved is limited to the amount of revenue produced by the Company's proposed rates, individual rates and charges approved by the Commission

may be either higher or lower than those proposed by the Company.

The Company has filed its rules and regulations of service as part of its application, the details of which may be reviewed by interested parties. A copy of the application is available for public inspection during regular business hours at the Caroline Public Library, 17202 Richmond Turnpike, Milford, Virginia, and at the Northumberland Public Library, 7204 Northumberland Highway, Heathsville, Virginia. The application also is available for public inspection Monday through Friday, 8:15 a.m. to 5:00 p.m., at the State Corporation Commission, Document Control Center, Tyler Building, First Floor, 1300 East Main Street Richmond, Virginia.

Any person wishing to comment on the application or request a hearing may do so on or before July 24, 2000, by addressing such comments or requests to: Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. PUE000169. A copy of the comments or requests for hearing must also be sent to the Company as follows: Kevin L. Gouldman, President, Northern Neck Water, Inc., 4542 Horners Mill Road, Montross, Virginia 22520. Requests for hearing shall state why a hearing is necessary and why such issues cannot be adequately addressed in written comments.

If no sufficient request for hearing is received, a formal hearing with oral testimony may not be held, and the Commission may make its decisions administratively, based upon papers filed in this proceeding.

NORTHERN NECK WATER, INC.

(3) The Company forthwith shall serve a copy of this Order on the Chairman of the Board of Supervisors of any county and upon the Mayor or Manager of any county, city, or town (or equivalent officials in counties, towns, and cities having alternate forms of government) lying within the Company's service area. Service shall be made by first-class mail or delivery to the customary place of business or residence of the person served.

(4) On or before July 14, 2000, the Company shall provide the Commission with proof of notice required in Ordering Paragraphs (2) and (3).

(5) On or before July 24, 2000, any interested person wishing to comment on the application as amended shall address such comments to: Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. PUE000169. A copy of such comments simultaneously shall be sent to the Company as follows: Kevin L. Gouldman, President, Northern Neck Water, Inc., 4542 Horners Mill Road, Montross, Virginia 22520.

(6) On or before July 24, 2000, any person desiring a hearing in this matter shall file a request for hearing in writing with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. PUE000169. A copy of such



request simultaneously shall be sent to the Company as follows:  
Kevin L. Gouldman, President, Northern Neck Water, Inc.,  
4542 Horners Mill Road, Montross, Virginia 22520. Any request  
for hearing shall detail reasons that such issues cannot be  
adequately addressed in written comments.

(7) Appropriate members of the Commission's Staff shall  
review the application and shall submit, on or before August 7,  
2000, a report presenting their findings and recommendations.

(8) On or before April 2, 2001, the Company shall file  
certain information with the Commission's Division of Public  
Utility Accounting based on operations for the twelve (12)  
months commencing January 1, 2000; such information shall  
include an income statement, balance sheet, cash flow statement,  
and the most recent federal income tax return.